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CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF OHIO
CLEVELAND

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

JOHN J. CAFARO,

Defendant,

)
) Case No.
)
) Judge
)
)
)
)
)
)

4:01 CR 208 - 1

JUDGE OLIVER

INFORMATION

The United States Attorney charges:

COUNT 1

(Conspiracy to Violate the Federal Bribery Statute: 18 U.S.C. §§ 201(c) & 371)

1. During times relevant to this Information, JOHN J. CAFARO was a Youngstown area businessman affiliated with U.S. Aerospace Group, LLC, an Ohio limited liability company. U.S. Aerospace Group obtained the rights from Cafaro Laser, Ltd., an Ohio limited liability company, to market the commercial application of a laser-guidance technology system (hereinafter "the laser-guidance technology") for use in landing aircraft and navigating water vessels through channels and was seeking certification of that technology from various federal

agencies, including the Federal Aviation Administration (“FAA”). Cafaro Laser, Ltd. and U.S. Aerospace Group, LLC are collectively referred to hereinafter as “USAG.”

I. THE VIOLATION

2. From in or about November 1997 through March 2000, the exact dates being unknown to the United States Attorney, in the Northern District of Ohio and elsewhere, JOHN J. CAFARO, the Defendant herein, together with Congressman James A. Traficant, Jr., and others known and unknown to the United States Attorney who are not charged in this Information, did knowingly and willfully combine, conspire, confederate and agree together and with each other to commit acts in violation of the federal bribery statute, Title 18, United States Code, Section 201(c). Specifically, these persons agreed that:

- a. Congressman James A. Traficant, a public official within the meaning of Title 18, United States Code, § 201(a)(1), otherwise than as provided by law for the proper discharge of his official duty, directly and indirectly would demand, seek, receive, accept and agree to receive and accept things of value personally for and because of official acts performed and to be performed by Congressman Traficant.
- b. Defendant CAFARO and others known and unknown to the United States Attorney, otherwise than as provided by law for the proper discharge of Congressman Traficant’s official duty, directly and indirectly would give, offer, and promise things of value to Congressman Traficant for and because of official acts performed and to be performed by Congressman Traficant.

II. MANNER AND MEANS OF THE CONSPIRACY

3. It was part of the conspiracy that in or around November of 1997, during a time when Defendant CAFARO was seeking Congressman Traficant's assistance in having laser-guidance technology certified by the Federal Aviation Administration (FAA), Congressman Traficant asked Defendant CAFARO to assist him in arranging repairs on a wooden boat Congressman Traficant owned.

4. It was part of the conspiracy that on or about February 4, 1998, Congressman Traficant attended a demonstration of USAG's laser-guidance technology in Manassas, Virginia.

5. It was part of the conspiracy that, following the February 4, 1998 demonstration, USAG paid for the following meal expenses incurred by Congressman Traficant and USAG's Chief Operating Officer (hereinafter "the COO") while meeting at the Taverna restaurant in Washington, D.C. to discuss and plan actions Congressman Traficant was taking and would take on behalf of USAG:

<u>Date</u>	<u>Amount</u>
04/29/98	\$157.08
05/06/98	105.59
05/20/98	92.28
06/17/98	92.03
06/23/98	112.53
07/14/98	68.69
07/16/98	90.58
07/23/98	105.43
09/09/98	124.73
09/15/98	83.54
09/24/98	140.45
10/06/98	129.57
10/12/98	136.83
02/24/99	70.88
03/23/99	101.28

04/12/99	116.65
04/21/99	104.23
05/11/99	135.02
05/19/99	120.00
09/22/99	148.98
09/29/99	124.62
10/06/99	110.32
10/13/99	88.68
10/18/99	79.84
10/21/99	90.08
10/26/99	180.06
11/03/99	77.87
11/10/99	56.39
11/16/99	142.67
12/17/99	34.39

6. It was part of the conspiracy that during the period between February 4, 1998 and July 28, 1998, Congressman Traficant took numerous official actions to promote the laser-guidance technology marketed by USAG, including actions to encourage certification of the technology by the FAA and to promote use of the technology by the FAA, the United States Army, and the United States Coast Guard.

7. In or about July 1998, the COO told Defendant CAFARO that Congressman Traficant was having financial problems with his boat. The COO explained that Congressman Traficant owed approximately \$26,000 on a loan on the boat, the boat needed major, costly repairs and Congressman Traficant could not sell the boat until the repairs were made. The COO further told Defendant CAFARO that given the value of Congressman Traficant's assistance to USAG, USAG could assist Congressman Traficant by purchasing the boat, paying for the needed repairs and using the boat to demonstrate the nautical applications of USAG's laser-guidance technology. Although the purchase of Congressman Traficant's boat was not in the best interest of USAG from a business standpoint, Defendant CAFARO agreed to purchase the boat from

Congressman Traficant as a favor to Congressman Traficant for and because of the official actions Congressman Traficant had taken and would take on behalf of USAG.

8. It was part of the conspiracy that in or about July 1998, Defendant CAFARO was given a payoff figure for Congressman Traficant's boat loan and was requested to provide funds in that amount so the boat could be purchased from Congressman Traficant. On or about July 28, 1998, Cafaro had an employee purchase a cashier's check in the amount of \$26,948.18 payable to Nations Bank, the bank holding the boat loan, and listing Congressman Traficant as the purchaser of the cashier's check. Congressman Traficant subsequently expressed concern about the transaction, saying he feared it would look bad if it ever became public that Defendant CAFARO had purchased the boat during the time Congressman Traficant was promoting the technology of Defendant CAFARO's company. Accordingly, Congressman Traficant said they would have to find another way to complete the sale.

9. It was part of the conspiracy that Congressman Traficant, Defendant CAFARO, the COO and USAG's Chief Engineer (hereinafter "the Engineer") thereafter agreed to a plan whereby they would conceal Defendant CAFARO's purchase of the boat by making it falsely appear as though the Engineer was purchasing the boat in his individual capacity. As part of that plan, Congressman Traficant and the Engineer entered into a handwritten purchase agreement. The agreement provided that the Engineer would arrange and pay for repairs to Congressman Traficant's boat and then pay him \$26,000 to complete the sale at the conclusion of the repairs. Contrary to the terms of this agreement, Congressman Traficant understood that Defendant CAFARO was in fact the person who was actually purchasing the boat and paying for the costs of the repairs.

10. It was part of the conspiracy that during the summer of 1998, the Engineer hired a crew to perform repairs on the boat. During 1998 and 1999, the Engineer paid a total of approximately \$26,000 for repairs to the boat, slip fees, and other expenses incurred during the period of the repairs. Defendant CAFARO repeatedly reimbursed the Engineer for funds expended for boat repairs and slip fees.

11. It was part of the conspiracy that in or about October or November 1998, Congressman Traficant complained to Defendant CAFARO that he was experiencing financial difficulties and asked Defendant CAFARO to give him an advance on the \$26,000 purchase price of the boat. Defendant CAFARO agreed to give Congressman Traficant approximately one-half of the purchase price. On November 14, 1998, Defendant CAFARO gave Congressman Traficant an envelope containing \$13,000 cash. Defendant CAFARO gave Congressman Traficant this \$13,000 for and because of the official actions Congressman Traficant was taking and would take on behalf of USAG.

12. It was part of the conspiracy that during the period from November 1998 through February 2000, Congressman Traficant continued to promote the use of USAG's laser-guidance technology with various federal agencies and departments.

13. It was part of the conspiracy that in or about April and May 1999, respectively, Congressman Traficant asked the COO if USAG had a generator and welder he could use. Based on this request, USAG purchased a new generator and welder and USAG employees delivered them to Congressman Traficant for and because of official actions Congressman Traficant was taking and would take on behalf of USAG.

III. OVERT ACTS

14. The following overt acts, among others, were performed in the Northern District of Ohio and elsewhere in furtherance of the conspiracy:

Overt Act 1

On or about April 17, 1998, Congressman Traficant instructed a staff member at his Youngstown district office to give a copy of an April 14, 1998 press release to Defendant CAFARO. The press release contained an announcement that Congressman Traficant wanted the FAA to make the installation of enhanced vision technologies at U.S. airports part of the Clinton Administration's aviation safety agenda.

Overt Act 2

On or about June 17, 1998, Defendant CAFARO received a facsimile at his Youngstown-area office from the COO, telling him that Congressman Traficant intended to ask FAA Administrator Jane Garvey to attend a joint briefing with him in Manassas, Virginia.

Overt Act 3

On or about July 28, 1998, Defendant CAFARO instructed an employee at his Youngstown-area office to purchase a cashier's check in the amount of \$26,948.18 at a Liberty, Ohio bank. The check was made payable to Nations Bank, the holder of Congressman Traficant's boat loan, and listed "J. Traficant" as purchaser.

Overt Act 4

On or about August 13, 1998, Defendant CAFARO received a facsimile at his Youngstown-area office from the Engineer, reminding him to bring \$3,500 cash with him for use in the "operation that you and Rick discussed at your meeting yesterday."

Overt Acts 5 - 9

On or about the dates set forth below, Defendant CAFARO obtained checks from Youngstown-area banks in the following amounts to reimburse monies the Engineer had expended for the repairs, slip fees, and other expenses on Congressman Traficant's boat:

<u>Overt Act</u>	<u>Date</u>	<u>Amount</u>
5	8/13/98	\$3,500
6	8/27/98	\$3,800
7	9/10/98	\$3,000
8	9/28/98	\$6,000
9	12/24/98	\$8,000

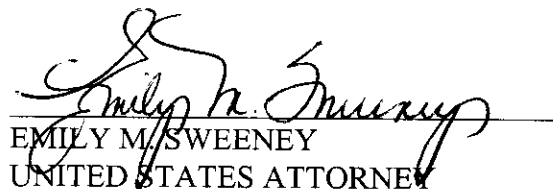
Overt Act 10

On or about January 17, 2000, the Engineer received a USAG check in the amount of \$2,142 in Virginia to reimburse him for monies he expended for repairs, slip fees, and other expenses on Congressman Traficant's boat.

Overt Act 11

On or about November 14, 1998, Defendant CAFARO gave Congressman Traficant an envelope containing \$13,000 cash while driving in the vicinity of Youngstown State University.

All in violation of Title 18, United States Code, § 371.


EMILY M. SWEENEY
UNITED STATES ATTORNEY